

**COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY**  
**And Ex-Officio for the**  
**FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND**  
**MEETING OF THE BOARD OF TRUSTEES**  
**33 N. DEARBORN STREET-ROOM 1000**  
**CHICAGO, ILLINOIS 60602**

**Minutes for October 6, 2010 Meeting of the Board**

The County Fund and the Forest Preserve District Fund are herein collectively referred to as the "Fund".

Call to Order and Roll Call.

Trustees Present: Robert Agnes, Clem Balanoff, Robert Benjamin, John E. Fitzgerald, William Granberry, Mark Kilgallon, Patrick McFadden, Constance M. Kravitz

Staff Present: Daniel R. Degnan, Executive Director, Penny Finch, Chief Operating Officer, Michael Maratea, Director of Finance, Sharon Ryan, Office Manager

Others Present: Mary Pat Burns, Burke, Burns & Pinelli, Christine M. Trzos, Annuitant, Stan Acovelli, Cook County Employee, Christy Sicher, Kurtz Law Offices, LTD., Harry Bailey, Cheevers, Angela Myers, Loop Capital, Sharon Piet, Podesta, Vito Laera, Cabrea Capital

Mr. Kilgallon presided and introduced Cook County Comptroller Constance Kravitz who by virtue of her office replaced Trustee Fratto.

1. Review and Consideration of:

a. September 2, 2010 Board Meeting Minutes.

It was moved by Trustee Fitzgerald and seconded by Trustee Granberry that the minutes of the September 2, 2010, Board Meeting be adopted as amended.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Bills, Payroll Records, Annuities, Spouse & Child Annuities, Ordinary & Duty Disabilities and Refunds.

It was moved Trustee Fitzgerald and seconded by Trustee McFadden that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon,  
McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

2. Other Benefit Matters:

a. In the Matter of Ralph Ferro, 10 RBCC 07

It was moved by Trustee Fitzgerald and seconded by Trustee Granberry that the Board adopt the Hearing Officer's Recommended Opinion pursuant to Section 1000.140 of the Fund's Procedural Rules Governing Hearings, that the administrative hearing requested by Mr. Ferro be dismissed and that his application for benefits be denied.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. In the Matter of Gene Michno, 08 RBCC 005

Mary Pat Burns advised that counsel for Mr. Michno delivered an additional pleading to the Fund offices just prior to the start of the meeting and in light of that, recommended that the Board defer the matter so the pleading could be disseminated to the Trustees for review. It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Board defer this matter.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

3. Administrative Matters

a. Legacy Professionals.

It was moved by Trustee Balanoff and seconded by Trustee Kravitz that Fund staff conduct a search for auditing services for the audits of both the Cook County and the Forest Preserve Funds.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Request for Actuarial Impact.

Mr. Degan reported that the Cook County Commissioners requested an actuarial impact analysis of SB 1946 on our funding status. He also reported that they requested an impact analysis of applying the new benefits to the existing employees on a going forward basis. He reported that the analysis would cost approximately \$15,000. The Board directed him to provide the SB1946 impact analysis to the Commissioners and communicate the Board's reluctance to spend \$15,000 on the analysis at this time. It was moved by Trustee Fitzgerald and

seconded by Trustee Granberry that Mr. Degnan prepare a response consistent with that direction.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

c. Trustee Williams.

Mr. Degnan reported that he received the resignation from Trustee Williams.

d. Recent FOIA Requests.

Mr. Degnan reported that the Fund received several Freedom of Information Act requests for member names and addresses and he further reported that, on advice of counsel and consistent with prior practice those requests were denied.

4. Recommendations from October 6, 2010, Health Benefit Committee.

It was moved by Trustee McFadden and seconded by Trustee Fitzgerald that, consistent with the recommendation of the Health Benefits Committee, that the healthcare plan premiums presented for the 2011 calendar year by Blue Cross/Blue Shield of Illinois be approved and that the Executive Director and the Director of Health Benefits, in coordination with legal counsel, be authorized to take all action reasonably necessary to effectuate the foregoing, including execution of related written agreement on behalf of the Funds.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

5. Recommendations from September 23, 2010 Investment Committee Meeting

a. Fourth Quarter Cash Flow.

It was moved by Trustee Balanoff and seconded by Trustee Agnes that the County Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$80 million dollars to cover projected expenses through December 31, 2010, and that the Fund's professional staff shall have authority to take all steps reasonably necessary to effectuate the foregoing

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Balanoff and seconded by Trustee Agnes that the Forest Preserve Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$2.75 million dollars to cover projected expenses through December 31, 2010, and that the Fund's professional staff shall have authority to take all steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

b. General Investment Consultant Search.

It was moved by Trustee Fitzgerald and seconded by Trustee Agnes, pursuant to the review and evaluation of proposals from all responders, that the Board proceed with further due diligence for the Tier 1 candidates, and that the Board approve any reasonable and necessary travel expenses incurred by Mr. Daniel Degan, Ms. Nickol Hackett and Mr. Fernando Vinzons in the conduct of such due diligence, provided that reimbursement for such expenses be consistent with the Funds' Travel Expense and Reimbursement Policy.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

6. Disability Handbook.

It was moved by Trustee Fitzgerald and seconded by Trustee Balanoff, consistent with the recommendations of the Funds' staff that the proposed Disability Handbook be approved as amended, including the cessation of disability payments once a member files with the Illinois Workers Compensation Commission, and that the Funds' staff be authorized to take steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, McFadden, Kravitz

NAYS: None

Vote Result: MOTION ADOPTED

It was further moved by Trustee Fitzgerald and seconded by Trustee Balanoff, that the Fund adopt a policy of remitting disability benefit payments to eligible members until they recover from that injury where the disability began while they were employed.

Roll Call Vote:

AYES: Agnes, Balanoff, Fitzgerald, Granberry, McFadden, Kravitz

NAYS: Benjamin

PRESENT: Kilgallon

Vote Result: MOTION ADOPTED

7. Ethics Policy.

It was moved by Trustee Fitzgerald and seconded by Trustee Kravitz, consistent with the recommendations of the Funds' legal counsel, that the proposed Ethics Policy be adopted effective immediately.

Roll Call Vote:

AYES: Agnes, Balanoff, Benjamin, Fitzgerald, Granberry, Kilgallon, Kravitz

NAYS: McFadden

Vote Result: MOTION ADOPTED

8. Adjournment

After consideration of all other items of business, it was moved and seconded that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Board's next regular meeting is scheduled for November 4, 2010.